GUJARAT ALKALIES AND CHEMICALS LIMITED

Regd. Office : P.O.PETROCHEMICLAS : 391346
DIST. VADODARA, GUJARAT.
www.gacl.com

Board of Directors

Shri Anil Mukim, IAS, Chairman

Shri Pankaj Joshi, IAS, Director

Shri M K Das, IAS, Director

Shri Rajiv Lochan Jain, Independent Director

Smt. Vasuben Narendrabhai Trivedi, Independent Director

Shri S B Dangayach, Independent Director

Shri Rohitbhai J Patel, Independent Director

Shri P K Gera, IAS (Retd.), Managing Director

Shareholding Pattern as on 31st December, 2019

Sr. No.	Name	No. of Shares	% of Total Share Capital
1.	Promoters (7 Promoters)	3,39,86,310	46.28
2.	Domestic Institutional Investors (DIIs)	56,41,047	7.68
3.	Foreign Institutional Investors (FIIs)	13,56,267	1.85
4.	Bodies Corporate	2,01,63,602	27.46
5.	Others	1,22,89,702	16.74
	Total….	7,34,36,928	100.00

GACL- Basic details

- Two complexes
  - Vadodara, started in 1976
  - Dahej, started in 1995
- Major products in Vadodara
  - Caustic Soda, Caustic Potash, Hydrogen Peroxide, Chloromethane, Poly Aluminium Chloride
- Major products in Dahej
  - Caustic Soda, Hydrogen Peroxide, Phosphoric Acid, Anhydrous Aluminium Chloride, Poly Aluminium Chloride, Sodium Chlorate, Stable Bleaching Powder
- Other investments
  - GIPCL, GCPTCL, Gujarat Guardian Ltd and GACL-NALCO Alkalies & Chemicals Pvt. Ltd. (JV Company by GACL 60% & NALCO 40%).

GACL- Basic details

- **Toll manufacturing**
- **Chlorinated Paraffin (CPW)**
- **Anhydrous Aluminium Chloride (ALC)**
- **Chlorinated Toluene**
  - **Benzyl Chloride**
  - **Benzyl Alcohol**
  - **Benzyldehyde**
- **171.45 MW Wind Farms** at various locations of **Kutchh & Saurashtra** and **35 MW Solar Power Plant** at **Charanka Solar Park - Patan.**
- **Started transporting Caustic Soda Lye under multimodal logistics - through Railway Racks as well as through Sea to Eastern & Central India, since Dec.'2014.**

Glimpse of Growth Journey

Projects Commissioned	Present Capacity (MTPA)	Commissioned / Expanded in
Caustic Chlorine Plant (Baroda) Initial Capacity 37,425 MTPA	153,450	1976, 1981, 1984, 1989, 1994
Caustic Chlorine Plant (Dahej) Initial Capacity 143,550 MTPA	259,050	1998, 2007, 2010
Caustic Potash Plant Initial Capacity 16,500 MTPA	39,600	1994, 2016
Chloromethane Plant Initial Capacity 10,560 MTPA	56,100	1986, 1990, 2007, 2010, 2018
Phosphoric Acid Plant	26,730	1995

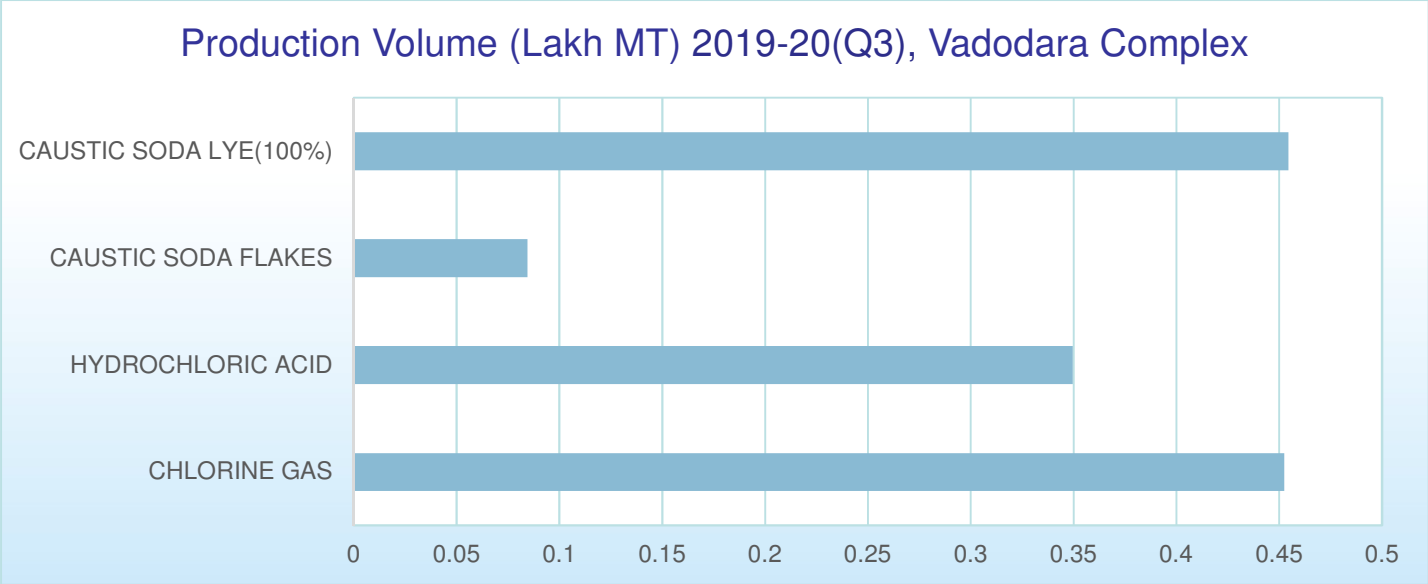
Glimpse of Growth Journey

Projects Commissioned	Present Capacity (MTPA)	Commissioned in
Hydrogen Peroxide Plant Initial Capacity 10,890 MTPA	53,080	1996, 2002, 2007, 2010, 2011, 2012, 2014, 2018
Poly Aluminium Chloride Plant (P18) Initial capacity 41,250 MTPA	73,250	2006, 2008, 2018
Stable Bleaching Powder Plant	15,000	2011
Anhydrous Aluminium Chloride Plant Initial Capacity 16,500 MTPA	32,950	2008, 2010, 2016
Sodium Chlorate Plant	19,000	2014
Wind Mill Projects (Various locations)	171.45 MW	2008, 2017
Solar Power Plant	35 MW	2018, 2019

Financial Details

Figures in Rs. Crores

Sr. No.	Particulars	2019-20 Upto Dec-19	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
1	NET EXTERNAL SALES VALUE	2,045.06	3,102.31	2,417.70	2,020.25	1,955.97	1,931.81	1,882.85
2	PROFIT BEFORE TAX **(PBT)**	444.23	1,015.02	750.22	381.78	262.70	215.48	246.55
3	PROFIT AFTER TAX **(PAT)**	320.96	689.65	535.02	308.10	219.89	227.86	185.03
4	LOANS OUTSTANDING AS AT 31ST DEC 2019	222.77	247.45	290.63	353.38	295.39	161.57	219.80



HIGHLIGHTS OF NINE MONTHS - F.Y. 2019-20

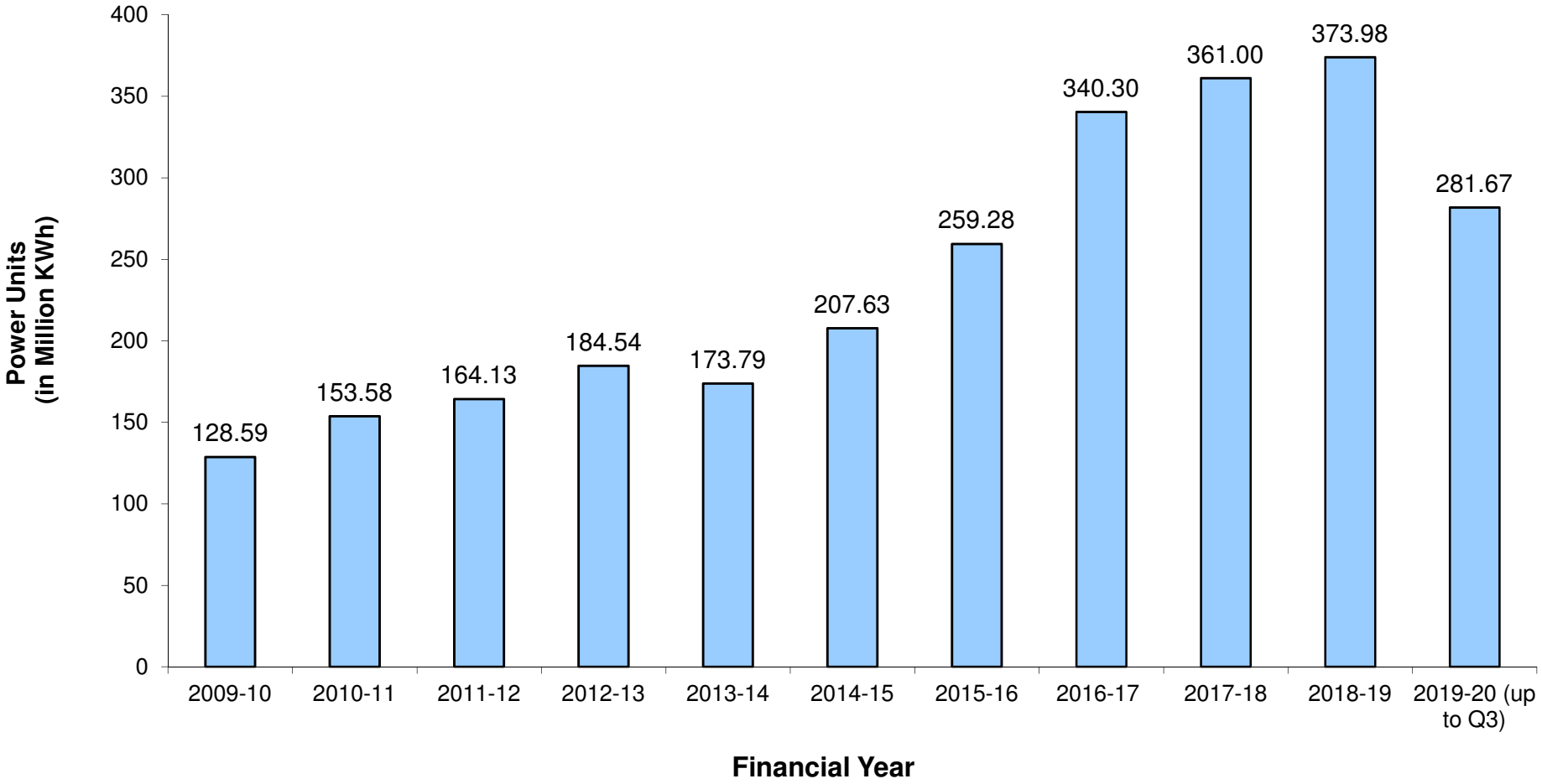
PARTICULARS	2018-19	2019-20	DIFFERENCE 2019-20 v/s. 2018-19	
	(Figures in Rs. Crores)		(Figures in Rs. Crores)	(%)
PROFIT BEFORE TAX	765.86	444.23	(321.63)	(42.00)
NET EXTERNAL SALES VALUE	2,299.33	2,045.06	(254.27)	(11.06)
RAW MATERIAL COST (other than Natural Gas)*	428.23	462.59	34.36	8.02
NATURAL GAS COST – as Raw Material @	221.76	228.40	6.64	2.99
NET EXTERNAL ELECTRICITY CHARGES #	352.08	362.55	10.47	2.97
PLF OF POWER PLANT AT DAHEJ (%)	48	55	7	14.58
SAVINGS IN POWER COST DUE TO WIND FARMS AND SOLAR CREDIT (GROSS)	177.95	182.94	4.99	2.80
PROFIT AFTER TAX	519.82	320.96	(198.86)	(38.26)

* Raw material cost increased due to unfavourable price variance of Rs.0.25 crores (0.06%) and unfavourable quantity variance of Rs.34.11 crores (7.96%).

@ Natural Gas cost increased due to favourable price variance of Rs.35.88 crores (16.18%) and unfavourable quantity variance of Rs.42.52 crores (19.17%).

\# Net External Electricity Charges increased due to unfavourable price variance of Rs.6.82 crores (1.93%) and unfavourable quantity variance of Rs.3.65 crores (1.04%).

Windmill Power Generated



Installed Capacity at GACL

As On 31.12.2019

PRODUCTS	VADODARA	DAHEJ	TOTAL CAPACITY
Caustic Soda Lye (On 100% Basis)	1,53,450	2,59,050	4,12,500
Caustic Soda Flakes/Prills	53,000	1,65,000	2,18,000
Chloromethane	56,100	-	56,100
Caustic Potash Lye (On 100% Basis)	39,600	-	39,600
Potassium Carbonate	13,200	-	13,200
Hydrogen Peroxide (On 100% Basis)	12,540	40,540	53,080
Phosphoric Acid	-	26,730	26,730
A. Aluminium Chloride (Jobwork/O&M)	9,900	23,050	32,950
Poly Aluminium Chloride	32,000	41,250	73,250
Chlorinated Paraffin (CPW) - (Jobwork)	12,000	-	12,000
Stable Bleaching Powder	-	15,000	15,000
Sodium Chlorate	-	19,000	19,000

* Membrane Cell of CSL & CPL are interchangeable & production is optimized as per market requirement

Actual Production V/s. Installed Capacity of Major Products

Major Products	Unit	Installed Capacity	Actual Production 2018-19	% Capacity Utilization	Production (Upto 31.12.2019)
Caustic Soda Lye (100%)	MT	412,500	432,407	104.83	331,173
Chloromethane	MT	56,100	51,325	91.49	44,101
Caustic Potash Lye (KOH)	MT	39,600	24,761	62.53	22,996
Hydrogen Peroxide	MT	53,080	48,414	91.21	41,770
Phosphoric Acid	MT	26,730	27,555	103.09	20,995
Anhydrous Aluminium Chloride	MT	32,950	37,377	113.44	28,247
Poly Aluminium Chloride(G18)	MT	73,250	51,919	70.88	53,441

* Membrane Cell of CSL & CPL are interchangeable & production is optimized as per market requirement

Alkali Industry V/s. GACL Capacity Utilisation

FINANCIAL YEAR	CAPACITY UTILISATION (ALKALI INDUSTRY)	CAPACITY UTILISATION (GACL)
2011-12	82%	89%
2012-13	81%	85%
2013-14	79%	89%
2014-15	81%	89%
2015-16	85%	90%
2016-17	82%	94%
2017-18	84%	94%
2018-19	85%	105%

Source: AMAI (Alkali Manufacturers Association of India)

Export of major Products

(Rs. In Lakhs)

MAJOR PRODUCTS	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20 (Upto 31.12.2019)
Caustic Soda Lye	3,087	3,510	3,123	1,885
Caustic Soda Flakes/Prills	12,263	18,923	18,649	13,767
Hydrochloric Acid	392	199	198	157
Liquid Chlorine	56	64	60	17
Chloromethane	31	35	123	162
Phosphoric Acid	99	131	74	48
Hydrogen Peroxide (50%)	350	449	568	395
Anhydrous Aluminium Chloride	3,850	3,563	5,299	4,154
Poly Aluminium Chloride	980	953	1,112	1,040
Benzyl Alcohol	2,328	2,841	2,987	1,793
Benzyl Chloride	140	222	855	545
Chlorinate Paraffin (CPW)	202	62	222	174
TOTAL	23,779	30,952	33,270	24,137

* Exports include Deemed Export

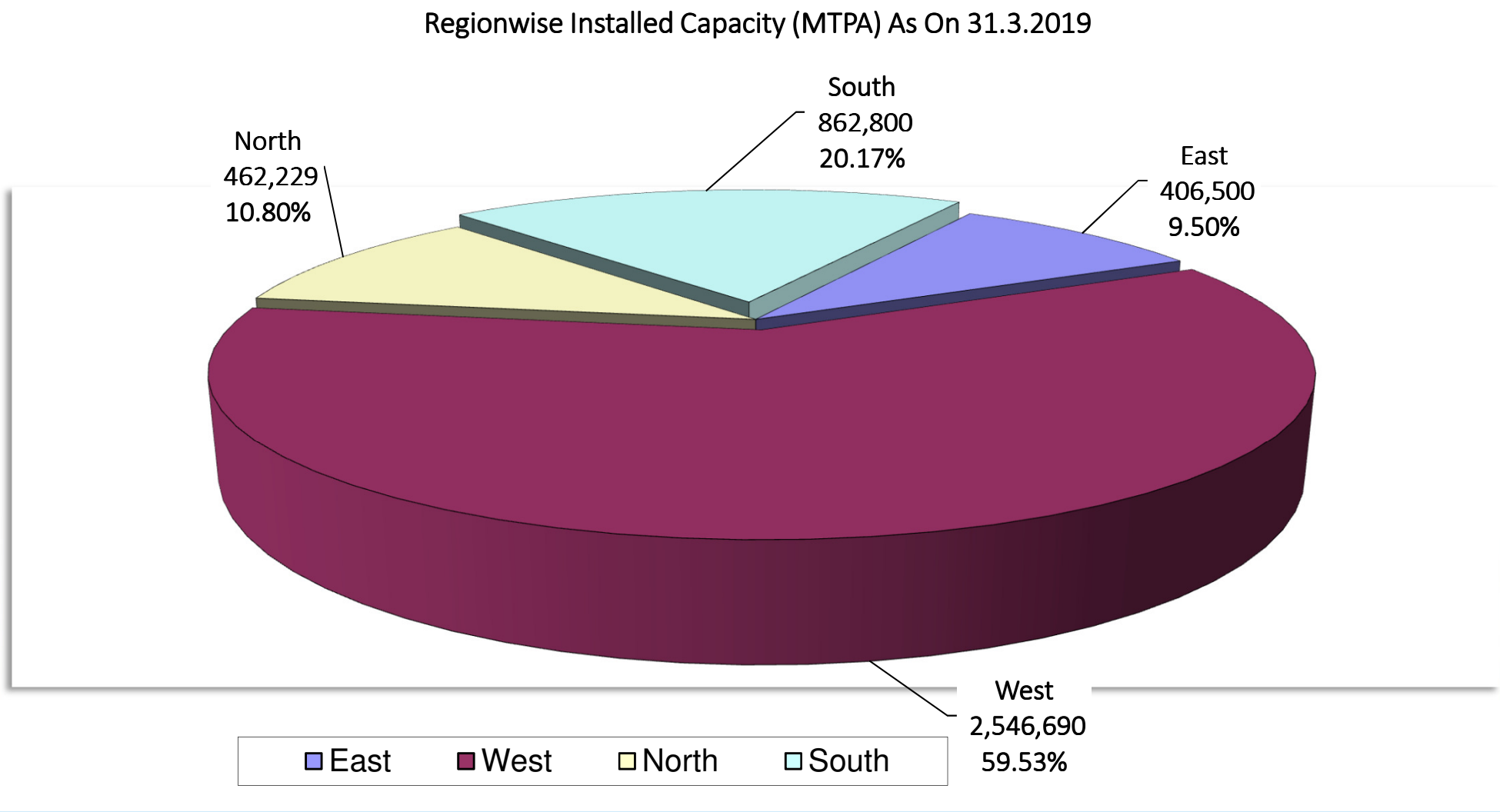
Presence - India
Base Chemicals - Caustic Soda/Chlorine

GACL

Aditya Birla/Grasim

Others

Caustic Soda Industry (Regional Distribution)



Source: AMAI (Alkali Manufacturers Association of India)

GACL- Strategic advantages

Land	600 acres for expansion at Dahej
Rail connectivity	Across boundary limits at Dahej
Port connectivity	GCPTCL 4 km from Dahej Complex
Dealer network	Strong, with best companies
Clean power	171.45 MW Wind Power (Installed) 35 MW Solar park (Installed)
Co-promoted companies	GCPTCL – Chemical Port at Dahej
	GIPCL – Power Company at Vadodara
	GNAL – A Joint Venture with NALCO for Caustic Soda Production
Product basket	Multiple products from basic Chemicals to value added chemicals
Customer proximity	Bulk Consumers situated in nearby area

Major Challenges

1) Contribution & market share of flagship products

- Ever increasing competition for market share
- Need for continuous growth
- Dependence on a single bulk product i.e. Caustic Soda for a large part of revenue
- A good product basket but low production capacity of Chlorine based products

2) Chlorine disposal – major bottleneck

- Additional in-house consumption to improve capacity utilisation
- Future projects must also have an add-on project to consume chlorine

Major Challenges

3) Very high logistics cost

- Bulk commodity products can't be sustained beyond 500 km, if transported by road,
- Uncompetitive in other distant States,
- Both plants located in Caustic soda surplus State of Gujarat
- Pressure on market share compared to M/s. Grasim, which has country-wide presence

4) Optimizing Power cost keeping an eye on the power cost of co-producers

- NG based power plant is costlier than coal based power plants
- Need to go for coal based power plant
- Government policies restricting the captive use of renewable energy.

New Expansion Projects

Projects	Capacity	Cost (Rs. Crs.)	Progress Status as of 25.01.2020
CS New plant with Coal based Power plant (A JV with NALCO)	800 TPD + 130 MW	2000	CS Plant 81% Power Plant 60% (Including Common Infrastructure)
Cholromethanes Plant at Dahej	300 TPD	683	45%
Phosphoric acid (New)	100 TPD	390	5%
Hydrazine Hydrate	30 TPD	405.50	38%
SBP Plant at Dahej	45 TPD	25.5	98%
Aluminium Chloride Plant at Dahej	50 TPD	35	96%
Chlorotolune Plant at Dahej	120 TPD	120	To be implemented
Caustic Soda expansion at Dahej and Coal base power plant	525 TPD 65 MW	875	5%

Thank You

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